STAND. COM. REP. NO. 3261

Honolulu, Hawaii

APR 0 3 2014

RE: S.C.R. No. 120 S.D. 2

Honorable Donna Mercado Kim President of the Senate Twenty-Seventh State Legislature Regular Session of 2014 State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred S.C.R. No. 120, S.D. 1, entitled:

"SENATE CONCURRENT RESOLUTION URGING THE GOVERNOR TO ENTER INTO A PUBLIC-PRIVATE PARTNERSHIP AGREEMENT FOR A NEW SYSTEM OF CORRECTIONAL FACILITIES THAT MAY INCLUDE REENTRY CENTERS, REPORTING CENTERS, TREATMENT CENTERS, PRISONS, JAILS, AND HALFWAY HOMES, TO BE OWNED AND OPERATED BY THE STATE AND ITS COUNTIES,"

begs leave to report as follows:

The purpose and intent of this measure is to urge the Governor to enter into a public-private partnership agreement for the planning, design, construction, and financing of a new system of correctional facilities.

Your Committee received written comments in support of this measure from the Department of Accounting and General Services; the Department of Budget and Finance; the Department of Public Safety; and the Department of the Prosecuting Attorney for the City and County of Honolulu.

Your Committee finds that Hawaii's aging and deteriorating correctional facilities are not equipped to accommodate the current prison population. This has caused many Hawaii prisoners to be sent to other states and resulted in major disruptions to their families and society as a whole. In order to return Hawaii prisoners that have been sent to private mainland prisons and to avoid any federal intervention, Hawaii's correctional facilities

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need to be upgraded with modern capabilities, such as reentry centers, reporting centers, treatment centers, prisons, jails, and halfway homes, that are to be operated by the State and its counties.

Your Committee has amended this measure by:

- (1) Changing the title and purpose of the measure to request the Governor to explore a competitively procured publicprivate partnership agreement for a new system of correctional facilities;
- (2) Adding language requesting the Governor to explore different public-private partnership models, including those that may involve partial public funding or joint development;
- (3) Deleting language expressing the Legislature's support for future appropriations and land or property agreements that may include sales, exchanges, leases, or any combination thereof that may be necessary for the Department of Public Safety to meet future payment obligations under the agreement;
- (4) Adding language that expresses the Legislature's support for the construction of correctional facilities statewide under a public-private partnership agreement that the Governor and the Legislature deems to be in the best interest of the State;
- (5) Requesting relevant state departments to offer to hold an informational briefing for the Senate Committees on Public Safety, Intergovernmental and Military Affairs, and Ways and Means, and the House Committees on Public Safety and Finance, at least thirty days before issuance of the request for proposals;
- (6) Deleting the requested deadlines for the State to issue a request for proposals and select a private partner to accomplish the goal of providing Hawaii with a new, state of the art, system of correctional facilities, and requesting the State to submit the selected offer to the Legislature as soon as possible;

- (7) Requesting the Governor to submit a report of any findings, recommendations, plans, and proposed legislation to the Legislature no later than twenty days prior to the convening of the Regular Session of 2015; and
- (8) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 120, S.D. 1, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 120, S.D. 2.

Respectfully submitted on behalf of the members of the Committee on Ways and Means,

DAVID Y TGE Char

The Senate Twenty-Seventh Legislature State of Hawai'i

Record of Votes Committee on Ways and Means WAM

Bill / Resolution No.:*	Committee		Dat		
SCR1720 SOI	PSM	, WAM	i	4-2	-14
The committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
IGE, David Y. (C)		~			
KIDANI, Michelle N. (VC)					
CHUN OAKLAND, Suzanne		-			
DELA CRUZ, Donovan M.					
ENGLISH, J. Kalani					
ESPERO, Will					
KAHELE, Gilbert					
KEITH-AGARAN, Gilbert S.C.				<u>.</u>	
KOUCHI, Ronald D.					
RUDERMAN, Russell E.		V			
THIELEN, Laura H.					
TOKUDA, JIII N.					
SLOM, Sam				V	
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Recommendation: Adopted Not Adopted					
Chair's or Designee's Signature: Substitute of Sedani					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

*Only one measure per Record of Votes